

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA,

Plaintiff,

Criminal Action  
No. 22-cr-10026-RWZ

v.

Date: March 23, 2022

DAVID FORTE,  
GREGORY MANNING,  
JOHN YOUNIS,

Pages 1 to 21

Defendants.

TRANSCRIPT OF CHANGE OF PLEA HEARING  
FOR JOHN YOUNIS  
BEFORE THE HONORABLE RYA W. ZOBEL  
UNITED STATES DISTRICT COURT  
JOHN J. MOAKLEY U.S. COURTHOUSE  
ONE COURTHOUSE WAY  
BOSTON, MASSACHUSETTS 02210

JOAN M. DALY, RMR, CRR  
Official Court Reporter  
John J. Moakley U.S. Courthouse  
One Courthouse Way, Room 5507  
Boston, Massachusetts 02210  
joanmdaly62@gmail.com

1 **APPEARANCES:**2 **FOR THE GOVERNMENT:**

3 **David M. Holcomb**  
4 United States Attorney's Office MA  
5 1 Courthouse Way  
6 Suite 9200  
7 Boston, MA 02210  
8 (617) 756-9043  
9 Email: [David.Holcomb@usdoj.gov](mailto:David.Holcomb@usdoj.gov)

10 **FOR THE DEFENDANT YOUNIS:**

11 **Jennifer L. Chunias**  
12 Goodwin Procter, LLP  
13 100 Northern Avenue  
14 Boston, MA 02210  
15 617-570-8239  
16 Fax: 617-523-1231  
17 Email: [Jchunias@goodwinprocter.com](mailto:Jchunias@goodwinprocter.com)

18 **Roberto M. Braceras**  
19 Goodwin Procter, LLP  
20 100 Northern Avenue  
21 Boston, MA 02210  
22 617-570-1895  
23 Fax: 617-523-1231  
24 Email: [Rbraceras@goodwinprocter.com](mailto:Rbraceras@goodwinprocter.com)

## PROCEEDINGS

(The following proceedings were held in open court before the Honorable Rya W. Zobel, United States District Judge, United States District Court, District of Massachusetts, at the John J. Moakley United States Courthouse, 1 Courthouse Way, Boston, Massachusetts, on March 23, 2022.

The defendant, John Younis, is present with counsel. The Assistant U.S. Attorney is present.)

THE CLERK: This is the United States v. John Younis. It's criminal 22-10026. Can I ask counsel please identify themselves for the record.

MR. HOLCOMB: Good afternoon, Your Honor. David Holcomb for the United States.

**THE COURT:** I'm sorry?

MR. HOLCOMB: David Holcomb for the United States.

**THE COURT:** And for the defendant?

MR. BRACERAS: Good afternoon, Your Honor. Roberto Braceras on behalf of John Younis.

THE COURT: I didn't recognize you with your beard.

MR. BRACERAS: It's been a while, Your Honor. It's a pandemic beard.

MS. CHUNIAS: Good afternoon, Your Honor. Jennifer Chunias.

THE COURT: All right. I understand the defendant

1 is here for a change of plea.

2 MR. BRACERAS: Yes, Your Honor.

3 THE COURT: I have to move so I can see you. All  
4 right. The defendant is offering to plea to both counts?

5 MR. BRACERAS: Yes, Your Honor.

6 THE COURT: I should explain to you, let's see,  
7 it's Mr. Younis who is offering to plea?

8 MR. BRACERAS: Yes.

9 BY THE COURT:

10 Q. I need to explain some things to you about the trial and  
11 rights that you have having been accused of a crime, and that  
12 you're giving up by pleading guilty.

13 Do you understand?

14 A. Yes, Your Honor.

15 Q. Before I do that I will also need to ask you some  
16 questions about this. And before I get there -- it's okay.

17 The Clerk will swear you and ask you to tell us whether you  
18 plead guilty or not. After that I will get to the questions  
19 and the explanations to the extent I can do that.

20 Do you want the indictment?

21 THE CLERK: Mr. Younis, for these two counts of  
22 this indictment charge you with Count 1, 18 U.S.C. 1349  
23 Conspiracy to Commit Securities Fraud, and Count 2, 15 U.S.C.  
24 78(b) & 78 ff(a); 17 C.F.R. 240.10b-5; 18:2, Securities  
25 Fraud; Aiding and Abetting.

1                   Sir, how do you plead to these two counts, guilty  
2 or not guilty?

3                   THE DEFENDANT: Guilty.

4                   THE CLERK: Thank ou. Can I ask you, sir, to  
5 please raise your right hand.

6                   (John Younis, duly sworn by the Deputy Clerk.)

7                   THE CLERK: You can be seated, sir. Thank you.

8                   EXAMINATION BY THE COURT:

9                   Q. Mr. Younis, your full name is John Younis.

10                  A. Yes. John David Younis.

11                  Q. Where were you born?

12                  A. Boston.

13                  Q. In Boston?

14                  A. Yes.

15                  Q. Can you pull the microphone towards you.

16                  A. In Boston.

17                  Q. Much better. So I can fairly assume that you are a  
18 citizen of the United States?

19                  A. Yes.

20                  Q. And you do speak English?

21                  A. Yes.

22                  Q. The status of the case at the moment is that you have  
23 been accused of an offense and you have offered to plead  
24 guilty to it. What I will need to do is to explain to you  
25 what rights you have after the government accuses you and

1 then make sure that you understand that; that you understand  
2 what the offense is that the government has accused of you;  
3 and that I can accept your plea; also that you understand the  
4 length the maximum sentence that can be imposed.

5 So we will start with when the government accuses  
6 of you a crime, which it has done by means of this  
7 indictment, which charges you with offenses in two different  
8 counts, two different offenses in two different counts,  
9 although essentially the same conduct. Then you have a right  
10 to trial. And the government has to prove at that trial that  
11 you are guilty beyond a reasonable doubt.

12 So one of the things that you give up when you  
13 plead guilty is the right to a trial. In fact, you give up  
14 the whole trial. And there are a number of additional  
15 consequences to that, which we will come in just a moment.

16 So what I need to talk about to you is, number one,  
17 what the charges are against you, what the maximum penalty  
18 is, and then the rights that come into play in conjunction  
19 with the trial that you are giving up. The offense that was  
20 charged in this indictment -- I have too many papers.

21 The offense is as I said in two counts. Let me  
22 start by explaining to you Count 2. Count 2 accuses you of  
23 having committed securities fraud. What the government would  
24 have to prove in order to prove you guilty of that count is,  
25 number one, that you and co-defendants, there are two other

1 people who have been accused in this, and there may have been  
2 others around as well, at some point developed and used a  
3 plan to purchase the stock of a company that was about to be  
4 bought by another company and which one of the other people  
5 who had been accused here had a fairly high position that  
6 they knew about, but at that point it was still secret. But  
7 they let you know and somebody else know for sure. at least  
8 that's what the accusation says. At the same time it was  
9 withholding from the public any knowledge of this because any  
10 knowledge of this company which is Analog stock or something  
11 like that was keeping very quiet because if it was known that  
12 it was planning to buy another company, which is called  
13 Linear Technology, that the price of Linear Technology would  
14 change, probably go up.

15 And what the essential charge is that you and the  
16 other two took advantage of the knowledge, which was secret  
17 knowledge, or not broadly known knowledge, and in the process  
18 were able to buy the stock of Linear Technology Company  
19 before this transaction was to take place by the Analog  
20 Company.

21 And then you were able to sell the stock at a  
22 considerably higher price than that which you paid for it.  
23 That use of the secret information is the essence of what the  
24 government has said is the fraud in Count 2. Because what  
25 the government has to prove with respect to that is that you

1 and your colleagues did develop and use a plan to purchase  
2 the Linear Technology stock with the knowledge that one of  
3 the three of you had from working at Analog. That's number  
4 one.

5 And that it was secret knowledge is the second  
6 element that they have to prove. And the government also has  
7 to show that when you pursued the purchase of the stock of  
8 the Linear company, that you did, in fact, do so based on  
9 what you had learned of the secret of Analog. And that is  
10 deemed to be fraud under the statute under which the  
11 government has charged you.

12 So the government has to prove that you and the  
13 others developed this scheme to buy the stock based on  
14 knowledge that one of you had, and that the knowledge was  
15 secret; that you made false statements in the course of doing  
16 that; and that you did not give knowledge; let them know that  
17 you had knowledge and other people did not; and you should  
18 not have had that knowledge; and that your conduct operated  
19 as fraud on Linear, which the whole thing kind of got  
20 bollocked up, I guess; and that you did what you did knowingly  
21 and willfully. You understood what you were doing, and you  
22 did it for the purpose of gaining money that you really  
23 weren't entitled to. That's what the government has to prove  
24 on Count 2 which is the plain fraud count.

25 Count 1 is a conspiracy count. And it says that

1 you and the other two conspired to commit this fraud, the  
2 same fraud. And so what the government has to prove here in  
3 essence is that you got together with one or two other  
4 people; that you made a private agreement, either directly  
5 you spelled it out or by the way you acted together to commit  
6 this fraud that I just described with respect to Count 2.

7 So conspiracy simply adds that the government also  
8 has to prove that there was an agreement between you and the  
9 other two defendants or one of them or anybody else, but in  
10 this case it's charged two people, named -- what I have does  
11 not have all the names on it. But in any event, there were  
12 two other people who were friends of yours and with who you  
13 had made arrangements like this in the past, not illegal  
14 ones, but that you had worked with them.

15 So that's the additional one. That two or more  
16 people got together to commit an unlawful act knowing that  
17 they were doing that. So that's Count 1. So these are the  
18 elements that the government has to prove. Do you understand  
19 that?

20 A. Yes, Your Honor.

21 Q. Now, the maximum penalty that the statute prescribes for  
22 this offense is, with respect to Count 1, the conspiracy  
23 count, a sentence of imprisonment of 25 years maximum, a  
24 period of supervised release of five years, up to five years  
25 again, a fine of \$250,000 or twice the gross gain or loss,

1 which I think would be less than that. And the mandatory  
2 special assessment of \$100 as well as forfeiture to the  
3 extent charged in the indictment. And I don't think the  
4 indictment charged any forfeiture in this case, did it?

5 MR. HOLCOMB: Your Honor, the indictment does  
6 include a forfeiture allegation.

7 THE COURT: The proceeds?

8 MR. HOLCOMB: Yes, it does.

9 THE COURT: Okay. So that's also included. With  
10 respect to Count 2, the plain fraud count as opposed to  
11 conspiracy to commit fraud, the maximum penalty is 20 years,  
12 supervised release of three years, and a fine of \$5 million,  
13 mandatory special assessment also of \$100, and forfeiture  
14 again to the extent charged in the indictment.

15 So when there are two counts, the penalties get  
16 added up for the maximum. So the two of them together have a  
17 maximum prison sentence of 45 years, a total maximum fine of  
18 \$5,250,000, plus any gain -- or twice the gain or loss, which  
19 according to the papers I have is less than that. And a  
20 mandatory special assessment of this as well of \$100 which  
21 makes two for two counts. And forfeiture. But forfeiture  
22 only once.

23 The amount that you gained that you shouldn't have  
24 gained, is once, not twice, even though they are two  
25 different charges. I think that's it. So that's the maximum

1       penalty. Although I can assure you we rarely get there.

2               Now, when the government accuses you of a crime,  
3       you have an absolute right to go to trial. And the point of  
4       the trial is for the government to show a jury what evidence  
5       it has against you to prove that you did, in fact, commit  
6       this offense and to prove that beyond a reasonable doubt. So  
7       it's the government's burden at any trial to prove you  
8       guilty.

9               You have absolutely no obligation to offer any  
10      evidence, to respond in any way, other than sitting there  
11      quietly. And the government has the burden. It has the only  
12      burden that there is in a criminal case.

13               However, if you decide that you wish to respond to  
14      the government's evidence and to its charges, you have an  
15      absolute right to do that. First, you have a right to have a  
16      lawyer to assist you in this project. If you can't afford to  
17      hire a lawyer, then the Court will appoint counsel for you.  
18      You have a right, even if you don't put any evidence of your  
19      own before the jury, you have a right to respond to what the  
20      government offers.

21               So the way that would work is the government would  
22      call a witness. It would examine the witness, and your  
23      counsel would have an opportunity and the right on your  
24      behalf to cross-examine the witness, to try to test the  
25      witness' memory, the witness' truthfulness, the witness'

1 ability to interpret the events in some way that he or she  
2 may be asked about. Then after you have done that through  
3 your counsel, the government can continue with that witness  
4 for a second time to try to clean up whatever you may have  
5 muddied for the government.

6 And then you'll have a second opportunity as well.  
7 And that obtains with respect to every witness that the  
8 government may call. You have no obligation to offer any  
9 evidence at a trial. You certainly have a right to test the  
10 government's witnesses and the government's evidence. And  
11 when the government has finished offering its evidence the  
12 way I just described, then you have an opportunity to offer  
13 yours if you choose to.

14 But since the government is the one that has the  
15 burden of proof, you have no obligation to offer any  
16 evidence. You have no obligation to take the stand and  
17 explain yourself because you can say to the jury, look, the  
18 government has accused me, and they have to prove that I'm  
19 guilty. I have nothing to say about that.

20 On the other hand, you may take the stand and you  
21 may testify to explain and that you choose to offer for the  
22 jury's consideration. And once that is done, once the  
23 government has offered its case, you have responded either by  
24 only by cross-examination and maybe objections to what the  
25 government wants to put in. You don't have to offer any

1 other evidence. But if you do, when that is finished, then  
2 the next step in the proceedings is for me to meet with  
3 counsel and you to determine what I will tell the jury about  
4 the law and the instructions that I will ultimately have to  
5 give to them. And then the government has an opportunity to  
6 argue to the jury the evidence that has been presented and  
7 try to persuade the jury that they should find you guilty.

8 And they have to do that only, they can do that  
9 only if they find that the government has proven you guilty  
10 beyond a reasonable doubt, which will also be explained to  
11 them. And when the government finishes that argument to the  
12 jury, you have a right to offer through your counsel your  
13 argument how the government has failed in this respect.

14 Then eventually I will charge the jury on the law  
15 as I see it, which, as I said, I will already have rehearsed  
16 with your counsel and government counsel. And then the case  
17 will be in the jury's hands. And what they will be  
18 instructed is that they can convict you only if they're  
19 convinced beyond a reasonable doubt, which is a very heavy  
20 burden on the government, that you are guilty on each count,  
21 and they have to look at the evidence as to each count  
22 separately and treat each one of them as a separate offense.

23 So that's how the trial would go and of course you  
24 would have throughout the trial available to assist you your  
25 counsel. And then if the jury comes back with a verdict of

1 not guilty, that's the end of the case or at least of any  
2 count as to that. If they come back with a guilty verdict,  
3 then the case continues ultimately to sentencing. But all of  
4 these proceedings in court are to a very large extent  
5 designed to protect your rights, to make sure that we  
6 understand what the government is alleging you did, and that  
7 it is all done in a manner that protects your rights as much  
8 as possible.

9 Do you understand that?

10 A. Yes, Your Honor.

11 Q. Have you talked with your counsel and discussed with your  
12 counsel your decision to offer this plea of guilty?

13 A. Yes, Your Honor.

14 Q. And are you satisfied with the advice that he has given  
15 you?

16 A. Yes, Your Honor.

17 Q. And you understand that you have no obligation whatsoever  
18 to give any testimony in the trial? You certainly have a  
19 right to object to testimony. You have a right to tell your  
20 side of the story, but you have no obligation to do either.

21 A. Yes, Your Honor.

22 Q. Okay. Did I ask you whether anybody put any pressure on  
23 you to offer this plea?

24 A. No one put pressure on me, Your Honor.

25 Q. Okay. I will now ask the government to tell us what the

1 evidence is that they would offer if we were to go to trial.  
2 And I think counsel has given us a summary of that already.  
3 You have a copy of that, do you not?

4 MR. BRACERAS: Yes, Your Honor.

5 THE COURT: So listen carefully because my last  
6 question to you is what, if anything, you have to do with  
7 these two counts.

8 MR. HOLCOMB: Thank you, Your Honor. The  
9 defendant, John Younis of Bristol, Rhode Island, was lifelong  
10 friends with co-defendant David Forte and Gregory Manning.  
11 David Forte's close relative was a senior executive at Analog  
12 Devices, a publicly-traded company based in Massachusetts  
13 that designed and manufactured semiconductor products.

14 David Forte and his close relative had a  
15 relationship of trust and confidence and the close relative  
16 owed fiduciary duties and duties of trust and confidence to  
17 his employer Analog. On or about June 22, 2016, Analog  
18 submitted a proposal to acquire Linear technology, a  
19 publicly-traded company based in California that designed and  
20 manufactured Analog integrated circuits.

21 At or around this time, David Forte's close  
22 relative began receiving nonpublic and confidential  
23 information about the proposed acquisition in connection with  
24 his role at Analog. Between this time and the public  
25 announcement of the acquisition on July 26, 2016, David Forte

1 spoke with his close relative and obtained from his relative  
2 material, nonpublic information about Analog's plans to  
3 acquire Linear. After obtaining this information, David  
4 Forte shared the information with this defendant, John  
5 Younis, and with Gregory Manning.

6 After speaking with David Forte, John Younis  
7 deposited \$60,000 into his brokerage account on or about  
8 July 18, 2016. Following several additional conversations  
9 with David Forte, John Younis called his brokerage firm on or  
10 about July 21, 2016, and purchased Linear call options.  
11 After speaking with David Forte again the following day,  
12 July 22, 2016, John Younis purchased shares of Linear stock.

13 Additionally, around this time John Younis spoke  
14 with a business associate who subsequently purchased Linear  
15 stock. Analog's acquisition of Linear was publicly reported  
16 four days later on July 26, 2016. Linear's share price rose  
17 from approximately \$49 per share to over \$64 per share before  
18 NASDAQ halted trading in Linear shares. John Younis  
19 attempted to sell his Linear call options that same day, but  
20 the trades did not execute due to the trading halt.

21 The following morning, July 27, 2016, John Younis  
22 spoke with David Forte and then sold his holdings of Linear  
23 call options and shares for a profit of nearly \$52,000, a  
24 return of approximately 89 percent over the course of less  
25 than one week.

Your Honor, thank you. That's the evidence that the government would present at trial.

BY THE COURT:

Q. Mr. Younis, can you please tell me what, if anything, you learned from Mr. Forte concerning the sale of -- the purchase by Analog of the other company, well, what you knew about that, and whether you knew that it was still a secret.

A. Your Honor, I'm sorry. I traded on confidential information. And I was wrong and I'm sorry.

Q. You knew it was confidential information?

A. Yes, Your Honor.

Q. And what did that mean in terms of whether you could buy the stock at that point or not? Did you understand that? Did you understand that having gained confidential information that you were not really in a position legally to purchase the stock at that point?

A. I knew it was wrong, Your Honor. I'm sorry.

Q. And do you acknowledge that it was a violation of the various laws having to do with a purchase like this, not adhering to the confidentiality was a problem, indeed a crime?

A. Yes, Your Honor. And sorry.

Q. And with respect to the conspiracy count, Count 1, did you work with the other two participants in this, Mr. Forte and Mr. Manning, in carrying out these separate but

1 associated purchases?

2 A. I never spoke with Greg Manning.

3 Q. You understood with them that they were all going to do  
4 this as well?

5 A. I just spoke with Dave Forte.

6 Q. I'm sorry.

7 A. I just spoke with Dave Forte.

8 Q. With Forte you agreed that you would buy the stock and  
9 make a profit?

10 A. Yes, Your Honor.

11 Q. Did you know that it was against the law to do that at  
12 the time?

13 A. Excuse me? Can you repeat that?

14 Q. At the time you did this, did you know that it was  
15 against the law to so use secret information?

16 A. I understand, Your Honor. Yes. I'm sorry.

17 THE COURT: I find that the defendant understands  
18 the nature of the charges as well as the maximum penalty. I  
19 further find that there is a basis for the plea and will  
20 accept it to Counts 1 and 2.

21 THE CLERK: Looking for sentencing, what about  
22 June 29 at 2?

23 THE COURT: What's the date, Lisa?

24 THE CLERK: I was looking, if it's okay with  
25 counsel, June 29 at 2. Is that good?

1                   MR. BRACERAS: That's fine with me.

2                   THE CLERK: Is that okay?

3                   MR. HOLCOMB: That works. Thank you.

4                   THE CLERK: Obviously if there are any problems,  
5 let me know. So 6/29 at 2.

6                   THE COURT: The next thing that will happen,  
7 Mr. Younis, is I hope counsel will take you to probation.

8                   Might as well do it now since you're here. One of the  
9 probation officers will prepare a presentence report. They  
10 will rely on you for much of the information that goes into  
11 that. They will supply, they will give you a copy before  
12 they give it to anybody else and ask you if it's correct.  
13 And if it's not correct, please tell them so that they can  
14 make the corrections.

15                   And then it will go to counsel, government counsel  
16 as well as to me. And it has much to do with what the  
17 sentence will ultimately be. So it should be correct and as  
18 full as possible, as complete as possible. Is there anything  
19 else that we need to do?

20                   MR. HOLCOMB: No. Thank you, Your Honor.

21                   THE COURT: What about bail? Is there a release  
22 order now?

23                   MR. HOLCOMB: He's currently on release.

24                   THE COURT: The same release conditions will be  
25 continued.

1                   MR. HOLCOMB: Thank you.

2                   THE COURT: Okay. Thank you.

3                   MR. BRACERAS: Your Honor, just one last thing.

4                   You'll be getting my notice of withdrawal from the case this  
5                   afternoon or tomorrow.

6                   THE COURT: I'm sorry?

7                   MR. BRACERAS: You'll be getting my notice of  
8                   withdrawal this afternoon or tomorrow. After 24 years with  
9                   Goodwin and Procter, I am actually leaving the firm. I  
10                   wanted to thank you for your indulgence over the years. If  
11                   you remember Jonathan Chiel, Jonathan recruited me to join  
12                   Fidelity as his deputy general counsel. This is my last  
13                   court appearance in almost 30 years.

14                   THE COURT: Well, thank you.

15                   MR. BRACERAS: So thank you for bearing with me  
16                   over the years.

17                   THE COURT: Okay. Thank you all.

18                   (Court recessed at 2:37 p.m.)

19

20

21

22

23

24

25

## CERTIFICATION

I certify that the foregoing is a correct transcript of the record of proceedings in the above-entitled matter to the best of my skill and ability.

/s/ Joan M. Daly

November 4, 2022

Joan M. Daly, RMR, CRR  
Official Court Reporter

Date